

Calendar No. 623

103D CONGRESS  
2D SESSION

**S. 2433**

[Report No. 103-373]

**A BILL**

To amend title VIII of the Public Health Service Act to consolidate and reauthorize nursing education programs under such title, and for other purposes.

SEPTEMBER 23 (legislative day, SEPTEMBER 12), 1994  
Reported with an amendment

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 13 (legislative day, SEPTEMBER 12), 1994

Mr. KENNEDY (for himself and Mrs. KASSEBAUM) introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

SEPTEMBER 23 (legislative day, SEPTEMBER 12), 1994

Reported by Mr. KENNEDY, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

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**A BILL**

To amend title VIII of the Public Health Service Act to consolidate and reauthorize nursing education programs under such title, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Nursing Education  
3 Consolidation and Reauthorization Act of 1994”.

4 **SEC. 2. PURPOSE.**

5 It is the purpose of this Act to restructure the nurse  
6 education authorities of title VIII of the Public Health  
7 Service Act to permit a comprehensive, flexible, and effec-  
8 tive approach to Federal support for nursing workforce  
9 development.

10 **SEC. 3. AMENDMENTS TO PUBLIC HEALTH SERVICE ACT.**

11 Title VIII of the Public Health Service Act (42  
12 U.S.C. 296k et seq.) is amended—

13 (1) by striking the title heading and all that fol-  
14 lows except for subparts II and III of part B and  
15 section 855; and inserting the following:

16 **“TITLE VIII—NURSING**  
17 **WORKFORCE DEVELOPMENT”;**

18 (2) in subpart II of part B, by striking the sub-  
19 part heading and inserting the following:

20 **“PART E—STUDENT LOANS**

21 **“Subpart I—General Program”;**

22 (3) by redesignating subpart III as subpart II;

23 (4) by striking section 837;

24 (5) in section 846, by striking subsection (d)  
25 and inserting the following new subsection:

1       “(d) BREACH OF AGREEMENTS FOR OBLIGATED  
2 SERVICE.—

3           “(1) IN GENERAL.—In the case of any program  
4 under this section under which an individual makes  
5 an agreement to provide health services for a period  
6 of time in accordance with such program in consid-  
7 eration of receiving an award of Federal funds re-  
8 garding education as a nurse (including an award  
9 for the repayment of loans), the following applies if  
10 the agreement provides that this subsection is appli-  
11 cable:

12           “(A) In the case of a program under this  
13 section that makes an award of Federal funds  
14 for attending an accredited program of nursing  
15 (in this subsection referred to as a ‘nursing pro-  
16 gram’), the individual is liable to the Federal  
17 Government for the amount of such award (in-  
18 cluding amounts provided for expenses related  
19 to such attendance), and for interest on such  
20 amount at the maximum legal prevailing rate,  
21 if the individual—

22           “(i) fails to maintain an acceptable  
23 level of academic standing in the nursing  
24 program (as indicated by the program in

1           accordance with requirements established  
2           by the Secretary);

3           ~~“(ii) is dismissed from the nursing~~  
4           ~~program for disciplinary reasons; or~~

5           ~~“(iii) voluntarily terminates the nurs-~~  
6           ~~ing program.~~

7           ~~“(B) The individual is liable to the Federal~~  
8           ~~Government for the amount of such award (in-~~  
9           ~~cluding amounts provided for expenses related~~  
10          ~~to such attendance), and for interest on such~~  
11          ~~amount at the maximum legal prevailing rate,~~  
12          ~~if the individual fails to provide health services~~  
13          ~~in accordance with the program under this sec-~~  
14          ~~tion for the period of time applicable under the~~  
15          ~~program.~~

16          ~~“(2) WAIVER OR SUSPENSION OF LIABILITY.—~~

17          ~~In the case of an individual or health facility making~~  
18          ~~an agreement for purposes of paragraph (1), the~~  
19          ~~Secretary shall provide for the waiver or suspension~~  
20          ~~of liability under such paragraph if compliance by~~  
21          ~~the individual or the health facility, as the case may~~  
22          ~~be, with the agreements involved is impossible, or~~  
23          ~~would involve extreme hardship to the individual or~~  
24          ~~facility, and if enforcement of the agreements with~~

1 respect to the individual or facility would be uncon-  
 2 scionable.

3 ~~“(3) DATE CERTAIN FOR RECOVERY.—Subject~~  
 4 ~~to paragraph (2), any amount that the Federal Gov-~~  
 5 ~~ernment is entitled to recover under paragraph (1)~~  
 6 ~~shall be paid to the United States not later than the~~  
 7 ~~expiration of the 3-year period beginning on the date~~  
 8 ~~the United States becomes so entitled.~~

9 ~~“(4) AVAILABILITY.—Amounts recovered under~~  
 10 ~~paragraph (1) with respect to a program under this~~  
 11 ~~section shall be available for the purposes of such~~  
 12 ~~program, and shall remain available for such pur-~~  
 13 ~~poses until expended.”;~~

14 (6) by inserting after the title heading the fol-  
 15 lowing new parts:

16 ~~“PART A—GENERAL PROVISIONS~~

17 ~~“SEC. 801. DEFINITIONS.~~

18 ~~“As used in this title:~~

19 ~~“(1) ELIGIBLE ENTITIES.—The term ‘eligible~~  
 20 ~~entities’ means schools of nursing, nursing centers,~~  
 21 ~~State or local governments, and other public or non-~~  
 22 ~~profit private entities determined appropriate by the~~  
 23 ~~Secretary that submit to the Secretary an applica-~~  
 24 ~~tion in accordance with section 802.~~

1           “(2) SCHOOL OF NURSING.—The term ‘school  
2       of nursing’ means a collegiate, associate degree, or  
3       diploma school of nursing in a State.

4           “(3) COLLEGIATE SCHOOL OF NURSING.—The  
5       term ‘collegiate school of nursing’ means a depart-  
6       ment, division, or other administrative unit in a col-  
7       lege or university which provides primarily or exclu-  
8       sively a program of education in professional nursing  
9       and related subjects leading to the degree of bach-  
10      elor of arts, bachelor of science, bachelor of nursing,  
11      or to an equivalent degree, or to a graduate degree  
12      in nursing, and including advanced training related  
13      to such program of education provided by such  
14      school, but only if such program, or such unit, col-  
15      lege or university is accredited.

16          “(4) ASSOCIATE DEGREE SCHOOL OF NURS-  
17      ING.—The term ‘associate degree school of nursing’  
18      means a department, division, or other administra-  
19      tive unit in a junior college, community college, col-  
20      lege, or university which provides primarily or exclu-  
21      sively a two-year program of education in profes-  
22      sional nursing and allied subjects leading to an asso-  
23      ciate degree in nursing or to an equivalent degree,  
24      but only if such program, or such unit, college, or  
25      university is accredited.

1           “(5) DIPLOMA SCHOOL OF NURSING.—The  
2       term ‘diploma school of nursing’ means a school af-  
3       filiated with a hospital or university, or an independ-  
4       ent school, which provides primarily or exclusively a  
5       program of education in professional nursing and al-  
6       lied subjects leading to a diploma or to equivalent  
7       indicia that such program has been satisfactorily  
8       completed, but only if such program, or such affili-  
9       ated school or such hospital or university or such  
10      independent school is accredited.

11           “(6) ACCREDITED.—

12           “(A) IN GENERAL.—Except as provided in  
13      subparagraph (B), the term ‘accredited’ when  
14      applied to any program of nurse education  
15      means a program accredited by a recognized  
16      body or bodies, or by a State agency, approved  
17      for such purpose by the Secretary of Education  
18      and when applied to a hospital, school, college,  
19      or university (or a unit thereof) means a hos-  
20      pital, school, college, or university (or a unit  
21      thereof) which is accredited by a recognized  
22      body or bodies, or by a State agency, approved  
23      for such purpose by the Secretary of Education.  
24      For the purpose of this paragraph, the Sec-  
25      retary of Education shall publish a list of recog-



1 nized accrediting bodies, and of State agencies,  
2 which the Secretary of Education determines to  
3 be reliable authority as to the quality of edu-  
4 cation offered.

5 “(B) NEW PROGRAMS.—A new school of  
6 nursing that, by reason of an insufficient period  
7 of operation, is not, at the time of the submis-  
8 sion of an application for a grant or contract  
9 under this title, eligible for accreditation by  
10 such a recognized body or bodies or State agen-  
11 cy, shall be deemed accredited for purposes of  
12 this title if the Secretary of Education finds,  
13 after consultation with the appropriate accredi-  
14 tation body or bodies, that there is reasonable  
15 assurance that the school will meet the accredi-  
16 tation standards of such body or bodies prior to  
17 the beginning of the academic year following  
18 the normal graduation date of students of the  
19 first entering class in such school.

20 “(7) NONPROFIT.—The term ‘nonprofit’ as ap-  
21 plied to any school, agency, organization, or institu-  
22 tion means one which is a corporation or association,  
23 or is owned and operated by one or more corpora-  
24 tions or associations, no part of the net earnings of

1       which inures, or may lawfully inure, to the benefit  
2       of any private shareholder or individual.

3           ~~“(8) STATE.—The term ‘State’ means a State,~~  
4       the Commonwealth of Puerto Rico, the District of  
5       Columbia, the Commonwealth of the Northern Mari-  
6       ana Islands, Guam, American Samoa, the Virgin Is-  
7       lands, or the Trust Territory of the Pacific Islands.

8   ~~“SEC. 802. APPLICATION.~~

9       ~~“(a) IN GENERAL.—To be eligible to receive a grant~~  
10   or contract under this title, an eligible entity shall prepare  
11   and submit to the Secretary an application that meets the  
12   requirements of this section, at such time, in such manner,  
13   and containing such information as the Secretary may re-  
14   quire.

15       ~~“(b) PLAN.—An application submitted under this~~  
16   section shall contain the plan of the applicant for carrying  
17   out a project with amounts received under this title. Such  
18   plan shall be consistent with relevant Federal, State, or  
19   regional program plans.

20       ~~“(c) PERFORMANCE OUTCOME STANDARDS.—An ap-~~  
21   plication submitted under this section shall contain a spec-  
22   ification by the applicant entity of performance outcome  
23   standards that the project to be funded under the grant  
24   or contract will be measured against. Such standards shall  
25   address relevant national nursing needs that the project

1 will meet. The recipient of a grant or contract under this  
2 section shall meet the standards set forth in the grant or  
3 contract application.

4 “(d) LINKAGES.—An application submitted under  
5 this section shall contain a description of the linkages with  
6 relevant educational and health care entities, including  
7 training programs for other health professionals as appro-  
8 priate, that the project to be funded under the grant or  
9 contract will establish.

10 **“SEC. 803. USE OF FUNDS.**

11 “(a) IN GENERAL.—Amounts provided under a grant  
12 or contract awarded under this title may be used for train-  
13 ing program development and support, faculty develop-  
14 ment, model demonstrations, trainee support including  
15 tuition, books, program fees and reasonable living ex-  
16 penses during the period of training, technical assistance,  
17 workforce analysis, and dissemination of information, as  
18 appropriate to meet recognized nursing objectives, in ac-  
19 cordance with this title.

20 “(b) MAINTENANCE OF EFFORT.—With respect to  
21 activities for which a grant awarded under this title is to  
22 be expended, the entity shall agree to maintain expendi-  
23 tures of non-Federal amounts for such activities at a level  
24 that is not less than the level of such expenditures main-

1 tained by the entity for the fiscal year preceding the fiscal  
2 year for which the entity receives such a grant.

3 **~~“SEC. 804. MATCHING REQUIREMENT.~~**

4       ~~“The Secretary may require that an entity that ap-~~  
5 ~~plies for a grant or contract under this title provide non-~~  
6 ~~Federal matching funds, as appropriate, to ensure the in-~~  
7 ~~stitutional commitment of the entity to the projects funded~~  
8 ~~under the grant. Such non-Federal matching funds may~~  
9 ~~be provided directly or through donations from public or~~  
10 ~~private entities and may be in cash or in-kind, fairly evalu-~~  
11 ~~ated, including plant, equipment, or services.~~

12 **~~“SEC. 805. PREFERENCE.~~**

13       ~~“In awarding grants or contracts under this title, the~~  
14 ~~Secretary shall give preference to applicants with projects~~  
15 ~~that will substantially benefit rural or underserved popu-~~  
16 ~~lations.~~

17 **~~“SEC. 806. GENERALLY APPLICABLE PROVISIONS.~~**

18       ~~“(a) AWARDING OF GRANTS AND CONTRACTS.—The~~  
19 ~~Secretary shall ensure that grants and contracts under~~  
20 ~~this title are awarded on a competitive basis to carry out~~  
21 ~~innovative demonstration projects or provide for strategic~~  
22 ~~workforce supplementation activities as needed to meet~~  
23 ~~national nursing service goals and in accordance with this~~  
24 ~~title.~~

1       “(b) INFORMATION REQUIREMENTS.—Recipients of  
2 grants and contracts under this title shall meet informa-  
3 tion requirements as specified by the Secretary.

4       “(c) TRAINING PROGRAMS.—Training programs con-  
5 ducted with amounts received under this title shall meet  
6 applicable accreditation and quality standards.

7       “(d) DURATION OF ASSISTANCE.—

8               “(1) IN GENERAL.—Subject to paragraph (2),  
9 in the case of an award to an entity of a grant, co-  
10 operative agreement, or contract under this title, the  
11 period during which payments are made to the en-  
12 tity under the award may not exceed 5 years. The  
13 provision of payments under the award shall be sub-  
14 ject to annual approval by the Secretary of the pay-  
15 ments and subject to the availability of appropria-  
16 tions for the fiscal year involved to make the pay-  
17 ments. This paragraph may not be construed as lim-  
18 iting the number of awards under the program in-  
19 volved that may be made to the entity.

20               “(2) LIMITATION.—In the case of an award to  
21 an entity of a grant, cooperative agreement, or con-  
22 tract under this title, paragraph (1) shall apply only  
23 to the extent not inconsistent with any other provi-  
24 sion of this title that relates to the period during  
25 which payments may be made under the award.

1       ~~“(e) PEER REVIEW REGARDING CERTAIN PRO-~~  
 2 ~~GRAMS.—Each application for a grant under this title, ex-~~  
 3 ~~cept advanced nurse traineeship grants under section~~  
 4 ~~811(e), shall be submitted to a peer review group for an~~  
 5 ~~evaluation of the merits of the proposals made in the ap-~~  
 6 ~~plication. The Secretary may not approve such an applica-~~  
 7 ~~tion unless a peer review group has recommended the ap-~~  
 8 ~~plication for approval. Each peer review group under this~~  
 9 ~~subsection shall be composed principally of individuals who~~  
 10 ~~are not officers or employees of the Federal Government.~~  
 11 ~~This subsection shall be carried out by the Secretary act-~~  
 12 ~~ing through the Administrator of the Health Resources~~  
 13 ~~and Services Administration.~~

14       ~~“SEC. 807. NATIONAL ADVISORY COUNCIL ON NURSE EDU-~~  
 15                               ~~CATION AND PRACTICE.~~

16       ~~“(a) ESTABLISHMENT.—There is hereby established~~  
 17 ~~a National Advisory Council on Nurse Education and~~  
 18 ~~Practice (in this section referred to as the ‘Council’), con-~~  
 19 ~~sisting of the Secretary or the delegate of the Secretary~~  
 20 ~~(who shall be an ex officio member and shall serve as the~~  
 21 ~~Chairperson), and 15 members appointed by the Secretary~~  
 22 ~~without regard to the Federal civil service laws, of which—~~

23               ~~“(1) 2 shall be selected from full-time students~~  
 24               ~~enrolled in schools of nursing;~~

25               ~~“(2) 3 shall be selected from the general public;~~

1           ~~“(3) 2 shall be selected from practicing profes-~~  
 2           ~~sional nurses; and~~

3           ~~“(4) 8 shall be selected from among the leading~~  
 4           ~~authorities in the various fields of nursing, higher,~~  
 5           ~~and secondary education, and from representatives~~  
 6           ~~of hospitals and other institutions and organizations~~  
 7           ~~which provide nursing services.~~

8           ~~A majority of the members shall be nurses. The student-~~  
 9           ~~members of the Council shall be appointed for terms of~~  
 10          ~~one year and shall be eligible for reappointment to the~~  
 11          ~~Council.~~

12          ~~“(b) DUTIES.—The Council shall advise the Sec-~~  
 13          ~~retary in the preparation of general regulations and with~~  
 14          ~~respect to policy matters arising in the administration of~~  
 15          ~~this title, including the range of issues relating to nurse~~  
 16          ~~supply, education and practice improvement.~~

17          ~~“(c) FUNDING.—Amounts appropriated under this~~  
 18          ~~title may be utilized by the Secretary to support the nurse~~  
 19          ~~education and practice activities of the Council.~~

20          ~~“SEC. 808. TECHNICAL ASSISTANCE.~~

21          ~~“Funds appropriated under this title may be used by~~  
 22          ~~the Secretary to provide technical assistance in relation~~  
 23          ~~to any of the authorities under this title.~~

1 **~~“SEC. 809. RECOVERY FOR CONSTRUCTION ASSISTANCE.~~**

2 ~~“(a) IN GENERAL.—If at any time within 20 years~~  
 3 ~~(or within such shorter period as the Secretary may pre-~~  
 4 ~~scribe by regulation for an interim facility) after the com-~~  
 5 ~~pletion of construction of a facility with respect to which~~  
 6 ~~funds have been paid under subpart I of part A (as such~~  
 7 ~~subpart was in effect on September 30, 1985)—~~

8 ~~“(1) the owner of the facility ceases to be a~~  
 9 ~~public or nonprofit school,~~

10 ~~“(2) the facility ceases to be used for the train-~~  
 11 ~~ing purposes for which it was constructed, or~~

12 ~~“(3) the facility is used for sectarian instruction~~  
 13 ~~or as a place for religious worship,~~

14 ~~the United States shall be entitled to recover from the~~  
 15 ~~owner of the facility the base amount prescribed by sub-~~  
 16 ~~section (c)(1) plus the interest (if any) prescribed by sub-~~  
 17 ~~section (c)(2).~~

18 ~~“(b) NOTICE OF CHANGE IN STATUS.—The owner of~~  
 19 ~~a facility which ceases to be a public or nonprofit school~~  
 20 ~~as described in paragraph (1) of subsection (a), or the~~  
 21 ~~owner of a facility the use of which changes as described~~  
 22 ~~in paragraph (2) or (3) of such subsection shall provide~~  
 23 ~~the Secretary written notice of such cessation or change~~  
 24 ~~of use within 10 days after the date on which such ces-~~  
 25 ~~sation or change of use occurs or within 30 days after~~



1 the date of enactment of the Health Professions Training  
 2 Assistance Act of 1985, whichever is later.

3 ~~“(c) AMOUNT OF RECOVERY.—~~

4 ~~“(1) BASE AMOUNT.—~~The base amount that  
 5 the United States is entitled to recover under sub-  
 6 section (a) is the amount bearing the same ratio to  
 7 the then value (as determined by the agreement of  
 8 the parties or in an action brought in the district  
 9 court of the United States for the district in which  
 10 the facility is situated) of the facility as the amount  
 11 of the Federal participation bore to the cost of the  
 12 construction.

13 ~~“(2) INTEREST.—~~

14 ~~“(A) IN GENERAL.—~~The interest that the  
 15 United States is entitled to recover under sub-  
 16 section (a) is the interest for the period (if any)  
 17 described in subparagraph (B) at a rate (deter-  
 18 mined by the Secretary) based on the average  
 19 of the bond equivalent rates of 91-day Treasury  
 20 bills auctioned during such period.

21 ~~“(B) TIME PERIOD.—~~The period referred  
 22 to in subparagraph (A) is the period begin-  
 23 ning—

24 ~~“(i) if notice is provided as prescribed~~  
 25 ~~by subsection (b), 191 days after the date~~

1           on which the owner of the facility ceases to  
2           be a public or nonprofit school as described  
3           in paragraph (1) of subsection (a), or 191  
4           days after the date on which the use of the  
5           facility changes as described in paragraph  
6           (2) or (3) of such subsection, or

7           “(ii) if notice is not provided as pre-  
8           scribed by subsection (b), 11 days after the  
9           date on which such cessation or change of  
10          use occurs,

11          and ending on the date the amount the United  
12          States is entitled to recover is collected.

13          “(d) ~~WAIVER OF RIGHTS.~~—The Secretary may waive  
14          the recovery rights of the United States under subsection  
15          (a)(2) with respect to a facility (under such conditions as  
16          the Secretary may establish by regulation) if the Secretary  
17          determines that there is good cause for waiving such  
18          rights.

19          “(e) ~~LIMITATION ON LIENS.~~—The right of recovery  
20          of the United States under subsection (a) shall not, prior  
21          to judgment, constitute a lien on any facility.

1 ~~“PART B—NURSE PRACTITIONERS, NURSE MID-~~  
 2 ~~WIVES, AND OTHER ADVANCED PRACTICE~~  
 3 ~~NURSES~~

4 ~~“SEC. 811. ADVANCED PRACTICE NURSING GRANTS.~~

5 ~~“(a) IN GENERAL.—The Secretary may award grants~~  
 6 ~~to and enter into contracts with eligible entities to meet~~  
 7 ~~the costs of—~~

8 ~~“(1) projects that support the enhancement of~~  
 9 ~~advanced practice nursing education; and~~

10 ~~“(2) traineeships for individuals in advanced~~  
 11 ~~practice nursing programs.~~

12 ~~“(b) DEFINITION OF ADVANCED PRACTICE~~  
 13 ~~NURSES.—For purposes of this section, the term ‘ad-~~  
 14 ~~vanced practice nurses’ means individuals trained in ad-~~  
 15 ~~vanced degree programs, post-nursing master’s certificate~~  
 16 ~~programs, or, in the case of nurse midwives or nurse anes-~~  
 17 ~~thetists, in certificate programs that received funding~~  
 18 ~~under this title on the date that is one day prior to the~~  
 19 ~~date of enactment of this section, to serve as nurse practi-~~  
 20 ~~tioners, nurse midwives, nurse anesthetists, nurse edu-~~  
 21 ~~cators, or public health nurses, or in other nurse special-~~  
 22 ~~ties determined by the secretary to require advanced edu-~~  
 23 ~~cation.~~

24 ~~“(c) AUTHORIZED NURSE PRACTITIONER AND~~  
 25 ~~NURSE MIDWIFERY PROGRAMS.—~~

1           “(1) IN GENERAL.—Nurse practitioner and  
2           nurse midwifery programs eligible for support under  
3           this section are educational programs for registered  
4           nurses (irrespective of the type of school of nursing  
5           in which the nurses received their training) that—

6                   “(A) meet guidelines prescribed by the  
7           Secretary in accordance with paragraph (2);  
8           and

9                   “(B) have as their objective the education  
10          of nurses who will upon completion of their  
11          studies in such programs, be qualified to effec-  
12          tively provide primary health care, including  
13          primary health care in homes and in ambula-  
14          tory care facilities, long-term care facilities and  
15          other health care institutions.

16          “(2) GUIDELINES.—After consultation with ap-  
17          propriate educational organizations and professional  
18          nursing and medical organizations, the Secretary  
19          shall prescribe guidelines for programs described in  
20          paragraph (1). Such guidelines shall, as a minimum,  
21          require that such a program—

22                   “(A) extend for at least one academic year  
23          and consist of—

1                   “(i) supervised clinical practice di-  
 2                   rected toward preparing nurses to deliver  
 3                   primary health care; and

4                   “(ii) at least four months (in the ag-  
 5                   gregate) of classroom instruction that is so  
 6                   directed; and

7                   “(B) have an enrollment of not less than  
 8                   six full-time equivalent students.

9           ~~“(d) OTHER AUTHORIZED EDUCATIONAL PRO-~~  
 10   GRAMS.—The Secretary shall prescribe guidelines as ap-  
 11   propriate for other advanced practice nurse education pro-  
 12   grams eligible for support under this section.

13       ~~“(e) TRAINEESHIPS.—~~

14           ~~“(1) IN GENERAL.—~~The Secretary may not  
 15   award a grant to an applicant under subsection (a)  
 16   unless the applicant involved agrees that  
 17   traineeships provided with the grant will pay all or  
 18   part of the costs of—

19           ~~“(A) the tuition, books, and fees of the~~  
 20   program of advanced nursing practice with re-  
 21   spect to which the traineeship is provided; and

22           ~~“(B) the reasonable living expenses of the~~  
 23   individual during the period for which the  
 24   traineeship is provided.

1           “(2) DOCTORAL PROGRAMS.—The Secretary  
2           may not obligate more than 10 percent of the  
3           traineeships under subsection (a) for individuals in  
4           doctorate degree programs.

5           “(3) SPECIAL CONSIDERATION.—In making  
6           awards of grants and contracts under subsection  
7           (a)(2), the Secretary shall give special consideration  
8           to an eligible entity that agrees to expend the award  
9           to train advanced practice nurses who will practice  
10          in health professional shortage areas designated  
11          under section 332.

12          “(f) AUTHORIZATION OF APPROPRIATIONS.—

13           “(1) IN GENERAL.—There are authorized to be  
14           appropriated to carry out this section, \$50,000,000  
15           for fiscal year 1995, and such sums as may be nec-  
16           essary for each of the fiscal years 1996 and 1997.

17           “(2) SET ASIDES.—Of the amount appropriated  
18           under paragraph (1) for a fiscal year—

19                   “(A) not less than 60 percent of such  
20                   amount shall be made available for projects to  
21                   enhance the training and practice of nurse  
22                   practitioners and nurse midwives; and

23                   “(B) not less than 6 percent of such  
24                   amounts shall be made available for projects to

3 “PART C—INCREASING NURSING WORKFORCE  
4 DIVERSITY

6       “(a) IN GENERAL.—The Secretary may award grants  
7 to and enter into contracts with eligible entities to meet  
8 the costs of special projects to increase nursing education  
9 opportunities for individuals who are from disadvantaged  
10 racial and ethnic backgrounds underrepresented among  
11 registered nurses by providing student scholarships or sti-  
12 pends, pre-entry preparation, and retention activities.

13       “(b) GUIDANCE.—In carrying out subsection (a), the  
14 Secretary shall take into consideration the recommenda-  
15 tions of the First and Second Invitational Congresses for  
16 Minority Nurse Leaders on ‘Caring for the Emerging Ma-  
17 jority,’ in 1992 and 1993, and consult with nursing asso-  
18 ciations including the American Nurses Association, the  
19 National League of Nursing, the Association of American  
20 Colleges of Nursing, and the Black Nurses Association.

21       ~~“(c) REQUIRED INFORMATION AND CONDITIONS FOR~~  
22   ~~AWARD RECIPIENTS.—~~

23 “(1) IN GENERAL.—Recipients of awards under  
24 this section may be required, where requested, to re-  
25 port to the Secretary concerning the annual admis-

1 sion, retention, and graduation rates for ethnic and  
 2 racial minorities in the school or schools involved in  
 3 the projects.

4 “(2) FALLING RATES.—If any of the rates re-  
 5 ported under paragraph (1) fall below the average of  
 6 the two previous years, the grant or contract recipi-  
 7 ent shall provide the Secretary with plans for imme-  
 8 diately improving such rates.

9 “(3) INELIGIBILITY.—A recipient described in  
 10 paragraph (2) shall be ineligible for continued fund-  
 11 ing under this section if the plan of the recipient  
 12 fails to improve the rates within the 1-year period  
 13 beginning on the date such plan is implemented.

14 “(d) AUTHORIZATION OF APPROPRIATIONS.—There  
 15 are authorized to be appropriated to carry out this section,  
 16 \$5,000,000 for fiscal year 1995, and such sums as may  
 17 be necessary for each of the fiscal years 1996 and 1997.

18 “PART D—STRENGTHENING CAPACITY FOR  
 19 BASIC NURSE EDUCATION AND PRACTICE  
 20 “SEC. 831. BASIC NURSE EDUCATION AND PRACTICE  
 21 GRANTS.

22 “(a) IN GENERAL.—The Secretary may award grants  
 23 to and enter into contracts with eligible entities for  
 24 projects to strengthen capacity for basic nurse education  
 25 and practice.



1       “(b) PRIORITY AREAS.—In awarding grants or con-  
2 tracts under this section the Secretary shall give priority  
3 to entities that will use amounts provided under such a  
4 grant or contract to enhance the education mix and utili-  
5 zation of the basic nursing workforce by strengthening  
6 programs that provide basic nurse education for purposes  
7 of—

8               “(1) improving nursing services in schools and  
9 other community settings;

10              “(2) providing care for underserved populations  
11 and other high-risk groups such as the elderly, indi-  
12 viduals with HIV-AIDS, substance abusers, home-  
13 less, and battered women;

14              “(3) providing case management, quality im-  
15 provement, delegation and supervision, other skills  
16 needed under new health care systems;

17              “(4) developing cultural competencies among  
18 nurses;

19              “(5) providing emergency health services;

20              “(6) promoting career mobility for nursing per-  
21 sonnel in a variety of training settings cross training  
22 or specialty training, and among diverse population  
23 groups; or

24              “(7) other priority areas as determined by the  
25 Secretary.

1       “(c) AUTHORIZATION OF APPROPRIATIONS.—There  
 2 are authorized to be appropriated to carry out this section,  
 3 \$12,000,000 for fiscal year 1995, and such sums as may  
 4 be necessary for each of the fiscal years 1996 and 1997.”;  
 5 and

6           (7) by redesignating section 855 as section 808,  
 7 and transferring such section so as to appear after  
 8 section 807 (as added by the amendment made by  
 9 paragraph (7)).

10 **SEC. 4. SAVINGS PROVISION AND TECHNICAL AMEND-**  
 11 **MENTS.**

12       (a) SAVINGS PROVISION.—In the case of any author-  
 13 ity for making awards of grants or contracts that is termi-  
 14 nated by the amendment made by section 3, the Secretary  
 15 of Health and Human Services may, notwithstanding the  
 16 termination of the authority, continue in effect any grant  
 17 or contract made under the authority that is in effect on  
 18 the day before the date of the enactment of this Act, sub-  
 19 ject to the duration of any such grant or contract not ex-  
 20 ceeding the period determined by the Secretary in first  
 21 approving such financial assistance, or in approving the  
 22 most recent request made (before the date of such enact-  
 23 ment) for continuation of such assistance, as the case may  
 24 be.

1       (b) CLINICAL RESEARCHERS.—Paragraph (3) of sec-  
 2       tion 487E(a) of the Public Health Service Act (42 U.S.C.  
 3       288–5(a)(3)) is amended to read as follows:

4               “(3) APPLICABILITY OF CERTAIN PROVISIONS  
 5       REGARDING OBLIGATED SERVICE.—With respect to  
 6       the National Health Service Corps loan repayment  
 7       program established in subpart III of part D of title  
 8       III, the provisions of such subpart shall, except as  
 9       inconsistent with this section, apply to the program  
 10      established in subsection (a) in the same manner  
 11      and to the same extent as such provisions apply to  
 12      the National Health Service Corps loan repayment  
 13      programs.”.

14      (c) TECHNICAL AMENDMENTS.—Section 839 of such  
 15      Act (42 U.S.C. 297e) is amended—

16              (1) in subsection (a)—

17                      (A) by striking the matter preceding para-  
 18              graph (1) and inserting the following:

19              “(a) If a school terminates a loan fund established  
 20      under an agreement pursuant to section 835(b), or if the  
 21      Secretary for good cause terminates the agreement with  
 22      the school, there shall be a capital distribution as fol-  
 23      lows:”; and

1           ~~(B)~~ in paragraph (1), by striking “at the  
 2           close of September 30, 1999,” and inserting  
 3           “on the date of termination of the fund”; and  
 4           ~~(2)~~ in subsection (b), to read as follows:

5           “(b) If a capital distribution is made under sub-  
 6           section (a), the school involved shall, after such capital dis-  
 7           tribution, pay to the Secretary, not less often than quar-  
 8           terly, the same proportionate share of amounts received  
 9           by the school in payment of principal or interest on loans  
 10          made from the loan fund established under section 835(b)  
 11          as determined by the Secretary under subsection (a).”.

12   **SEC. 5. EFFECTIVE DATE.**

13          This Act shall take effect on October 1, 1994, or the  
 14          date of enactment of this Act, whichever is later.

15   **SECTION 1. SHORT TITLE.**

16          *This Act may be cited as the “Nursing Education Con-  
 17          solidation and Reauthorization Act of 1994”.*

18   **SEC. 2. PURPOSE.**

19          *It is the purpose of this Act to restructure the nurse  
 20          education authorities of title VIII of the Public Health Serv-  
 21          ice Act to permit a comprehensive, flexible, and effective ap-  
 22          proach to Federal support for nursing workforce develop-  
 23          ment.*

1 **SEC. 3. AMENDMENTS TO PUBLIC HEALTH SERVICE ACT.**

2 *Title VIII of the Public Health Service Act (42 U.S.C.*  
 3 *296k et seq.) is amended—*

4 *(1) by striking the title heading and all that fol-*  
 5 *lows except for subparts II and III of part B and sec-*  
 6 *tion 855; and inserting the following:*

7 **“TITLE VIII—NURSING**  
 8 **WORKFORCE DEVELOPMENT”;**

9 *(2) in subpart II of part B, by striking the sub-*  
 10 *part heading and inserting the following:*

11 *“PART E—STUDENT LOANS*

12 **“Subpart I—General Program”;**

13 *(3) by redesignating subpart III as subpart II;*

14 *(4) by striking section 837;*

15 *(5) in section 846, by striking subsection (d) and*  
 16 *inserting the following new subsection:*

17 *“(d) BREACH OF AGREEMENTS FOR OBLIGATED SERV-*  
 18 *ICE.—*

19 *“(1) IN GENERAL.—In the case of any program*  
 20 *under this section under which an individual makes*  
 21 *an agreement to provide health services for a period*  
 22 *of time in accordance with such program in consider-*  
 23 *ation of receiving an award of Federal funds regard-*  
 24 *ing education as a nurse (including an award for the*  
 25 *repayment of loans), the following applies if the*  
 26 *agreement provides that this subsection is applicable:*

1           “(A) In the case of a program under this  
2 section that makes an award of Federal funds for  
3 attending an accredited program of nursing (in  
4 this subsection referred to as a ‘nursing pro-  
5 gram’), the individual is liable to the Federal  
6 Government for the amount of such award (in-  
7 cluding amounts provided for expenses related to  
8 such attendance), and for interest on such  
9 amount at the maximum legal prevailing rate, if  
10 the individual—

11           “(i) fails to maintain an acceptable  
12 level of academic standing in the nursing  
13 program (as indicated by the program in  
14 accordance with requirements established by  
15 the Secretary);

16           “(ii) is dismissed from the nursing  
17 program for disciplinary reasons; or

18           “(iii) voluntarily terminates the nurs-  
19 ing program.

20           “(B) The individual is liable to the Federal  
21 Government for the amount of such award (in-  
22 cluding amounts provided for expenses related to  
23 such attendance), and for interest on such  
24 amount at the maximum legal prevailing rate, if  
25 the individual fails to provide health services in

1       *accordance with the program under this section*  
2       *for the period of time applicable under the pro-*  
3       *gram.*

4       “(2) *WAIVER OR SUSPENSION OF LIABILITY.*—*In*  
5       *the case of an individual or health facility making an*  
6       *agreement for purposes of paragraph (1), the Sec-*  
7       *retary shall provide for the waiver or suspension of*  
8       *liability under such paragraph if compliance by the*  
9       *individual or the health facility, as the case may be,*  
10      *with the agreements involved is impossible, or would*  
11      *involve extreme hardship to the individual or facility,*  
12      *and if enforcement of the agreements with respect to*  
13      *the individual or facility would be unconscionable.*

14      “(3) *DATE CERTAIN FOR RECOVERY.*—*Subject to*  
15      *paragraph (2), any amount that the Federal Govern-*  
16      *ment is entitled to recover under paragraph (1) shall*  
17      *be paid to the United States not later than the expi-*  
18      *ration of the 3-year period beginning on the date the*  
19      *United States becomes so entitled.*

20      “(4) *AVAILABILITY.*—*Amounts recovered under*  
21      *paragraph (1) with respect to a program under this*  
22      *section shall be available for the purposes of such pro-*  
23      *gram, and shall remain available for such purposes*  
24      *until expended.”;*

1           (6) by inserting after the title heading the follow-  
2           ing new parts:

3           “PART A—GENERAL PROVISIONS

4   **“SEC. 801. DEFINITIONS.**

5           “As used in this title:

6           “(1) *ELIGIBLE ENTITIES.*—The term ‘eligible en-  
7           tities’ means schools of nursing, nursing centers, State  
8           or local governments, and other public or nonprofit  
9           private entities determined appropriate by the Sec-  
10          retary that submit to the Secretary an application in  
11          accordance with section 802.

12          “(2) *SCHOOL OF NURSING.*—The term ‘school of  
13          nursing’ means a collegiate, associate degree, or di-  
14          ploma school of nursing in a State.

15          “(3) *COLLEGIATE SCHOOL OF NURSING.*—The  
16          term ‘collegiate school of nursing’ means a depart-  
17          ment, division, or other administrative unit in a col-  
18          lege or university which provides primarily or exclu-  
19          sively a program of education in professional nursing  
20          and related subjects leading to the degree of bachelor  
21          of arts, bachelor of science, bachelor of nursing, or to  
22          an equivalent degree, or to a graduate degree in nurs-  
23          ing, and including advanced training related to such  
24          program of education provided by such school, but



1     *only if such program, or such unit, college or univer-*  
 2     *sity is accredited.*

3             “(4) *ASSOCIATE DEGREE SCHOOL OF NURS-*  
 4     *ING.—The term ‘associate degree school of nursing’*  
 5     *means a department, division, or other administra-*  
 6     *tive unit in a junior college, community college, col-*  
 7     *lege, or university which provides primarily or exclu-*  
 8     *sively a two-year program of education in profes-*  
 9     *sional nursing and allied subjects leading to an asso-*  
 10    *ciate degree in nursing or to an equivalent degree, but*  
 11    *only if such program, or such unit, college, or univer-*  
 12    *sity is accredited.*

13            “(5) *DIPLOMA SCHOOL OF NURSING.—The term*  
 14    *‘diploma school of nursing’ means a school affiliated*  
 15    *with a hospital or university, or an independent*  
 16    *school, which provides primarily or exclusively a pro-*  
 17    *gram of education in professional nursing and allied*  
 18    *subjects leading to a diploma or to equivalent indicia*  
 19    *that such program has been satisfactorily completed,*  
 20    *but only if such program, or such affiliated school or*  
 21    *such hospital or university or such independent school*  
 22    *is accredited.*

23            “(6) *ACCREDITED.—*

24                “(A) *IN GENERAL.—Except as provided in*  
 25                *subparagraph (B), the term ‘accredited’ when*

1       *applied to any program of nurse education*  
2       *means a program accredited by a recognized*  
3       *body or bodies, or by a State agency, approved*  
4       *for such purpose by the Secretary of Education*  
5       *and when applied to a hospital, school, college,*  
6       *or university (or a unit thereof) means a hos-*  
7       *pital, school, college, or university (or a unit*  
8       *thereof) which is accredited by a recognized body*  
9       *or bodies, or by a State agency, approved for*  
10       *such purpose by the Secretary of Education. For*  
11       *the purpose of this paragraph, the Secretary of*  
12       *Education shall publish a list of recognized ac-*  
13       *crediting bodies, and of State agencies, which the*  
14       *Secretary of Education determines to be reliable*  
15       *authority as to the quality of education offered.*

16       “(B) *NEW PROGRAMS.*—A new school of  
17       *nursing that, by reason of an insufficient period*  
18       *of operation, is not, at the time of the submission*  
19       *of an application for a grant or contract under*  
20       *this title, eligible for accreditation by such a rec-*  
21       *ognized body or bodies or State agency, shall be*  
22       *deemed accredited for purposes of this title if the*  
23       *Secretary of Education finds, after consultation*  
24       *with the appropriate accreditation body or bod-*  
25       *ies, that there is reasonable assurance that the*

1        *school will meet the accreditation standards of*  
 2        *such body or bodies prior to the beginning of the*  
 3        *academic year following the normal graduation*  
 4        *date of students of the first entering class in such*  
 5        *school.*

6        “(7) *NONPROFIT.*—The term ‘nonprofit’ as ap-  
 7        *plied to any school, agency, organization, or institu-*  
 8        *tion means one which is a corporation or association,*  
 9        *or is owned and operated by one or more corporations*  
 10       *or associations, no part of the net earnings of which*  
 11       *inures, or may lawfully inure, to the benefit of any*  
 12       *private shareholder or individual.*

13       “(8) *STATE.*—The term ‘State’ means a State,  
 14       *the Commonwealth of Puerto Rico, the District of Co-*  
 15       *lumbia, the Commonwealth of the Northern Mariana*  
 16       *Islands, Guam, American Samoa, the Virgin Islands,*  
 17       *or the Trust Territory of the Pacific Islands.*

18       **“SEC. 802. APPLICATION.**

19       “(a) *IN GENERAL.*—To be eligible to receive a grant  
 20       *or contract under this title, an eligible entity shall prepare*  
 21       *and submit to the Secretary an application that meets the*  
 22       *requirements of this section, at such time, in such manner,*  
 23       *and containing such information as the Secretary may re-*  
 24       *quire.*

1       “(b) *PLAN*.—An application submitted under this sec-  
 2       tion shall contain the plan of the applicant for carrying  
 3       out a project with amounts received under this title. Such  
 4       plan shall be consistent with relevant Federal, State, or re-  
 5       gional program plans.

6       “(c) *PERFORMANCE OUTCOME STANDARDS*.—An ap-  
 7       plication submitted under this section shall contain a speci-  
 8       fication by the applicant entity of performance outcome  
 9       standards that the project to be funded under the grant or  
 10      contract will be measured against. Such standards shall ad-  
 11      dress relevant national nursing needs that the project will  
 12      meet. The recipient of a grant or contract under this section  
 13      shall meet the standards set forth in the grant or contract  
 14      application.

15      “(d) *LINKAGES*.—An application submitted under this  
 16      section shall contain a description of the linkages with rel-  
 17      evant educational and health care entities, including train-  
 18      ing programs for other health professionals as appropriate,  
 19      that the project to be funded under the grant or contract  
 20      will establish.

21      **“SEC. 803. USE OF FUNDS.**

22      “(a) *IN GENERAL*.—Amounts provided under a grant  
 23      or contract awarded under this title may be used for train-  
 24      ing program development and support, faculty develop-  
 25      ment, model demonstrations, trainee support including tui-

1 tion, books, program fees and reasonable living expenses  
 2 during the period of training, technical assistance,  
 3 workforce analysis, and dissemination of information, as  
 4 appropriate to meet recognized nursing objectives, in ac-  
 5 cordance with this title.

6       “(b) *MAINTENANCE OF EFFORT.*—With respect to ac-  
 7 tivities for which a grant awarded under this title is to  
 8 be expended, the entity shall agree to maintain expenditures  
 9 of non-Federal amounts for such activities at a level that  
 10 is not less than the level of such expenditures maintained  
 11 by the entity for the fiscal year preceding the fiscal year  
 12 for which the entity receives such a grant.

13 **“SEC. 804. MATCHING REQUIREMENT.**

14       “The Secretary may require that an entity that ap-  
 15 plies for a grant or contract under this title provide non-  
 16 Federal matching funds, as appropriate, to ensure the insti-  
 17 tutional commitment of the entity to the projects funded  
 18 under the grant. Such non-Federal matching funds may be  
 19 provided directly or through donations from public or pri-  
 20 vate entities and may be in cash or in-kind, fairly evalu-  
 21 ated, including plant, equipment, or services.

22 **“SEC. 805. PREFERENCE.**

23       “In awarding grants or contracts under this title, the  
 24 Secretary shall give preference to applicants with projects

1 *that will substantially benefit rural or underserved popu-*  
 2 *lations.*

3 ***“SEC. 806. GENERALLY APPLICABLE PROVISIONS.***

4       “(a) *AWARDING OF GRANTS AND CONTRACTS.*—The  
 5 Secretary shall ensure that grants and contracts under this  
 6 title are awarded on a competitive basis to carry out inno-  
 7 vative demonstration projects or provide for strategic  
 8 workforce supplementation activities as needed to meet na-  
 9 tional nursing service goals and in accordance with this  
 10 title.

11       “(b) *INFORMATION REQUIREMENTS.*—Recipients of  
 12 grants and contracts under this title shall meet information  
 13 requirements as specified by the Secretary.

14       “(c) *TRAINING PROGRAMS.*—Training programs con-  
 15 ducted with amounts received under this title shall meet ap-  
 16 plicable accreditation and quality standards.

17       “(d) *DURATION OF ASSISTANCE.*—

18               “(1) *IN GENERAL.*—Subject to paragraph (2), in  
 19 the case of an award to an entity of a grant, coopera-  
 20 tive agreement, or contract under this title, the period  
 21 during which payments are made to the entity under  
 22 the award may not exceed 5 years. The provision of  
 23 payments under the award shall be subject to annual  
 24 approval by the Secretary of the payments and sub-  
 25 ject to the availability of appropriations for the fiscal

1     *year involved to make the payments. This paragraph*  
2     *may not be construed as limiting the number of*  
3     *awards under the program involved that may be*  
4     *made to the entity.*

5             “(2) *LIMITATION.—In the case of an award to*  
6     *an entity of a grant, cooperative agreement, or con-*  
7     *tract under this title, paragraph (1) shall apply only*  
8     *to the extent not inconsistent with any other provi-*  
9     *sion of this title that relates to the period during*  
10    *which payments may be made under the award.*

11            “(e) *PEER REVIEW REGARDING CERTAIN PRO-*  
12    *GRAMS.—Each application for a grant under this title, ex-*  
13    *cept advanced nurse traineeship grants under section*  
14    *811(a)(2), shall be submitted to a peer review group for an*  
15    *evaluation of the merits of the proposals made in the appli-*  
16    *cation. The Secretary may not approve such an application*  
17    *unless a peer review group has recommended the applica-*  
18    *tion for approval. Each peer review group under this sub-*  
19    *section shall be composed principally of individuals who are*  
20    *not officers or employees of the Federal Government. This*  
21    *subsection shall be carried out by the Secretary acting*  
22    *through the Administrator of the Health Resources and*  
23    *Services Administration.*

1 ***“SEC. 807. NATIONAL ADVISORY COUNCIL ON NURSE EDU-***  
 2 ***CATION AND PRACTICE.***

3 *“(a) ESTABLISHMENT.—There is hereby established a*  
 4 *National Advisory Council on Nurse Education and Prac-*  
 5 *tice (in this section referred to as the ‘Council’), consisting*  
 6 *of the Secretary or the delegate of the Secretary (who shall*  
 7 *be an ex officio member and shall serve as the Chairperson),*  
 8 *and 15 members appointed by the Secretary without regard*  
 9 *to the Federal civil service laws, of which—*

10 *“(1) 2 shall be selected from full-time students*  
 11 *enrolled in schools of nursing;*

12 *“(2) 3 shall be selected from the general public;*

13 *“(3) 2 shall be selected from practicing profes-*  
 14 *sional nurses; and*

15 *“(4) 8 shall be selected from among the leading*  
 16 *authorities in the various fields of nursing, higher,*  
 17 *and secondary education, and from representatives of*  
 18 *hospitals and other institutions and organizations*  
 19 *which provide nursing services.*

20 *A majority of the members shall be nurses. The student-*  
 21 *members of the Council shall be appointed for terms of one*  
 22 *year and shall be eligible for reappointment to the Council.*

23 *“(b) DUTIES.—The Council shall advise the Secretary*  
 24 *in the preparation of general regulations and with respect*  
 25 *to policy matters arising in the administration of this title,*



1 *including the range of issues relating to nurse supply, edu-*  
 2 *cation and practice improvement.*

3       “(c) *FUNDING.*—Amounts appropriated under this  
 4 *title may be utilized by the Secretary to support the nurse*  
 5 *education and practice activities of the Council.*

6 **“SEC. 808. TECHNICAL ASSISTANCE.**

7       “Funds appropriated under this title may be used by  
 8 *the Secretary to provide technical assistance in relation to*  
 9 *any of the authorities under this title.*

10 **“SEC. 809. RECOVERY FOR CONSTRUCTION ASSISTANCE.**

11       “(a) *IN GENERAL.*—If at any time within 20 years  
 12 *(or within such shorter period as the Secretary may pre-*  
 13 *scribe by regulation for an interim facility) after the com-*  
 14 *pletion of construction of a facility with respect to which*  
 15 *funds have been paid under subpart I of part A (as such*  
 16 *subpart was in effect on September 30, 1985)—*

17               “(1) *the owner of the facility ceases to be a pub-*  
 18 *lic or nonprofit school,*

19               “(2) *the facility ceases to be used for the training*  
 20 *purposes for which it was constructed, or*

21               “(3) *the facility is used for sectarian instruction*  
 22 *or as a place for religious worship,*

23 *the United States shall be entitled to recover from the owner*  
 24 *of the facility the base amount prescribed by subsection*

1 (c)(1) plus the interest (if any) prescribed by subsection  
2 (c)(2).

3 “(b) NOTICE OF CHANGE IN STATUS.—The owner of  
4 a facility which ceases to be a public or nonprofit school  
5 as described in paragraph (1) of subsection (a), or the  
6 owner of a facility the use of which changes as described  
7 in paragraph (2) or (3) of such subsection shall provide  
8 the Secretary written notice of such cessation or change of  
9 use within 10 days after the date on which such cessation  
10 or change of use occurs or within 30 days after the date  
11 of enactment of the Health Professions Training Assistance  
12 Act of 1985, whichever is later.

13 “(c) AMOUNT OF RECOVERY.—

14 “(1) BASE AMOUNT.—The base amount that the  
15 United States is entitled to recover under subsection  
16 (a) is the amount bearing the same ratio to the then  
17 value (as determined by the agreement of the parties  
18 or in an action brought in the district court of the  
19 United States for the district in which the facility is  
20 situated) of the facility as the amount of the Federal  
21 participation bore to the cost of the construction.

22 “(2) INTEREST.—

23 “(A) IN GENERAL.—The interest that the  
24 United States is entitled to recover under sub-  
25 section (a) is the interest for the period (if any)

1       described in subparagraph (B) at a rate (deter-  
 2       mined by the Secretary) based on the average of  
 3       the bond equivalent rates of 91-day Treasury  
 4       bills auctioned during such period.

5               “(B) *TIME PERIOD.*—The period referred to  
 6       in subparagraph (A) is the period beginning—

7               “(i) if notice is provided as prescribed  
 8       by subsection (b), 191 days after the date on  
 9       which the owner of the facility ceases to be  
 10      a public or nonprofit school as described in  
 11      paragraph (1) of subsection (a), or 191 days  
 12      after the date on which the use of the facil-  
 13      ity changes as described in paragraph (2)  
 14      or (3) of such subsection, or

15              “(ii) if notice is not provided as pre-  
 16      scribed by subsection (b), 11 days after the  
 17      date on which such cessation or change of  
 18      use occurs,

19              and ending on the date the amount the United  
 20      States is entitled to recover if collected.

21              “(d) *WAIVER OF RIGHTS.*—The Secretary may waive  
 22      the recovery rights of the United States under subsection  
 23      (a)(2) with respect to a facility (under such conditions as  
 24      the Secretary may establish by regulation) if the Secretary  
 25      determines that there is good cause for waiving such rights.

1       “(e) *LIMITATION ON LIENS.*—The right of recovery of  
 2   the United States under subsection (a) shall not, prior to  
 3   judgment, constitute a lien on any facility.

4   “*PART B—NURSE PRACTITIONERS, NURSE MID-*  
 5       *WIVES, AND OTHER ADVANCED PRACTICE*  
 6       *NURSES*

7   “**SEC. 811. ADVANCED PRACTICE NURSING GRANTS.**

8       “(a) *IN GENERAL.*—The Secretary may award grants  
 9   to and enter into contracts with eligible entities to meet the  
 10   costs of—

11           “(1) *projects that support the enhancement of ad-*  
 12       *vanced practice nursing education and practice; and*

13           “(2) *traineeships for individuals in advanced*  
 14       *practice nursing programs.*

15       “(b) *DEFINITION OF ADVANCED PRACTICE NURSES.*—  
 16   For purposes of this section, the term ‘advanced practice  
 17   nurses’ means nurses trained in advanced degree programs  
 18   including individuals in combined R.N./Master’s degree  
 19   programs, post-nursing master’s certificate programs, or, in  
 20   the case of nurse midwives or nurse anesthetists, in certifi-  
 21   cate programs that received funding under this title on the  
 22   date that is one day prior to the date of enactment of this  
 23   section, to serve as nurse practitioners, nurse midwives,  
 24   nurse anesthetists, nurse educators, or public health nurses,

1 *or in other nurse specialties determined by the secretary to*  
2 *require advanced education.*

3 *“(c) AUTHORIZED NURSE PRACTITIONER AND NURSE-*  
4 *MIDWIFERY PROGRAMS.—*

5 *“(1) IN GENERAL.—Nurse practitioner and nurse*  
6 *midwifery programs eligible for support under this*  
7 *section are educational programs for registered nurses*  
8 *(irrespective of the type of school of nursing in which*  
9 *the nurses received their training) that—*

10 *“(A) meet guidelines prescribed by the Sec-*  
11 *retary in accordance with paragraph (2); and*

12 *“(B) have as their objective the education of*  
13 *nurses who will upon completion of their studies*  
14 *in such programs, be qualified to effectively pro-*  
15 *vide primary health care, including primary*  
16 *health care in homes and in ambulatory care fa-*  
17 *cilities, long-term care facilities and other health*  
18 *care institutions.*

19 *“(2) GUIDELINES.—After consultation with ap-*  
20 *propriate educational organizations and professional*  
21 *nursing and medical organizations, the Secretary*  
22 *shall prescribe guidelines for programs described in*  
23 *paragraph (1). Such guidelines shall, as a minimum,*  
24 *require that such a program—*

1                   “(A) extend for at least one academic year  
2                   and consist of—

3                   “(i) supervised clinical practice di-  
4                   rected toward preparing nurses to deliver  
5                   primary health care; and

6                   “(ii) at least four months (in the ag-  
7                   gregate) of classroom instruction that is so  
8                   directed; and

9                   “(B) have an enrollment of not less than six  
10                  full-time equivalent students.

11               “(d) OTHER AUTHORIZED EDUCATIONAL PRO-  
12 GRAMS.—The Secretary shall prescribe guidelines as appro-  
13 priate for other advanced practice nurse education pro-  
14 grams eligible for support under this section.

15               “(e) TRAINEESHIPS.—

16               “(1) IN GENERAL.—The Secretary may not  
17               award a grant to an applicant under subsection (a)  
18               unless the applicant involved agrees that traineeships  
19               provided with the grant will pay all or part of the  
20               costs of—

21               “(A) the tuition, books, and fees of the pro-  
22               gram of advanced nursing practice with respect  
23               to which the traineeship is provided; and

1           “(B) *the reasonable living expenses of the*  
2           *individual during the period for which the*  
3           *traineeship is provided.*

4           “(2) *DOCTORAL PROGRAMS.—The Secretary may*  
5           *not obligate more than 10 percent of the traineeships*  
6           *under subsection (a) for individuals in doctorate de-*  
7           *gree programs.*

8           “(3) *SPECIAL CONSIDERATION.—In making*  
9           *awards of grants and contracts under subsection*  
10          *(a)(2), the Secretary shall give special consideration*  
11          *to an eligible entity that agrees to expend the award*  
12          *to train advanced practice nurses who will practice*  
13          *in health professional shortage areas designated under*  
14          *section 332.*

15          “(f) *AUTHORIZATION OF APPROPRIATIONS.—*

16          “(1) *IN GENERAL.—There are authorized to be*  
17          *appropriated to carry out this section, \$50,000,000*  
18          *for fiscal year 1995, and such sums as may be nec-*  
19          *essary for each of the fiscal years 1996 and 1997.*

20          “(2) *SET ASIDES.—Of the amount appropriated*  
21          *under paragraph (1) for a fiscal year—*

22                  “(A) *not less than 60 percent of such*  
23                  *amount shall be made available for projects to*  
24                  *enhance the training and practice of nurse prac-*  
25                  *titioners and nurse midwives; and*

1                   “(B) not less than 6 percent of such  
2                   amounts shall be made available for projects to  
3                   enhance the training and practice of nurse anes-  
4                   thetists.

5     “PART C—INCREASING NURSING WORKFORCE  
6                     DIVERSITY

**7 “SEC. 821. WORKFORCE DIVERSITY GRANTS.**

8           “(a) *IN GENERAL.*—The Secretary may award grants  
9   to and enter into contracts with eligible entities to meet the  
10 costs of special projects to increase nursing education op-  
11 portunities for individuals who are from disadvantaged ra-  
12 cial and ethnic backgrounds underrepresented among reg-  
13 istered nurses by providing student scholarships or stipends,  
14 pre-entry preparation, and retention activities.

15       “(b) *GUIDANCE.*—In carrying out subsection (a), the  
16 Secretary shall take into consideration the recommenda-  
17 tions of the First and Second Invitational Congresses for  
18 Minority Nurse Leaders on ‘Caring for the Emerging Ma-  
19 jority,’ in 1992 and 1993, and consult with nursing asso-  
20 ciations including the American Nurses Association, the  
21 National League for Nursing, the American Association of  
22 Colleges of Nursing, the Black Nurses Association, the Asso-  
23 ciation of Hispanic Nurses, the Association of Asian Amer-  
24 ican and Pacific Islander Nurses, the National Nurses Asso-



1 *ciation, the Native American Indian and Alaskan Nurses*  
 2 *Association.*

3 “(c) *REQUIRED INFORMATION AND CONDITIONS FOR*  
 4 *AWARD RECIPIENTS.*—

5 “(1) *IN GENERAL.*—*Recipients of awards under*  
 6 *this section may be required, where requested, to re-*  
 7 *port to the Secretary concerning the annual admis-*  
 8 *sion, retention, and graduation rates for ethnic and*  
 9 *racial minorities in the school or schools involved in*  
 10 *the projects.*

11 “(2) *FALLING RATES.*—*If any of the rates re-*  
 12 *ported under paragraph (1) fall below the average of*  
 13 *the two previous years, the grant or contract recipient*  
 14 *shall provide the Secretary with plans for imme-*  
 15 *diately improving such rates.*

16 “(3) *INELIGIBILITY.*—*A recipient described in*  
 17 *paragraph (2) shall be ineligible for continued fund-*  
 18 *ing under this section if the plan of the recipient fails*  
 19 *to improve the rates within the 1-year period begin-*  
 20 *ning on the date such plan is implemented.*

21 “(d) *AUTHORIZATION OF APPROPRIATIONS.*—*There*  
 22 *are authorized to be appropriated to carry out this section,*  
 23 *\$5,000,000 for fiscal year 1995, and such sums as may be*  
 24 *necessary for each of the fiscal years 1996 and 1997.*

1       *“PART D—STRENGTHENING CAPACITY FOR*  
2       *BASIC NURSE EDUCATION AND PRACTICE*

3       ***“SEC. 831. BASIC NURSE EDUCATION AND PRACTICE***  
4               ***GRANTS.***

5       “(a) *IN GENERAL.*—*The Secretary may award grants*  
6       *to and enter into contracts with eligible entities for projects*  
7       *to strengthen capacity for basic nurse education and prac-*  
8       *tice.*

9       “(b) *PRIORITY AREAS.*—*In awarding grants or con-*  
10       *tracts under this section the Secretary shall give priority*  
11       *to entities that will use amounts provided under such a*  
12       *grant or contract to enhance the education mix and utiliza-*  
13       *tion of the basic nursing workforce by strengthening pro-*  
14       *grams that provide basic nurse education for purposes of—*

15               “(1) *improving nursing services in schools and*  
16       *other community settings;*

17               “(2) *providing care for underserved populations*  
18       *and other high-risk groups such as the elderly, indi-*  
19       *viduals with HIV-AIDS, substance abusers, homeless,*  
20       *and battered women;*

21               “(3) *providing case management, quality im-*  
22       *provement, delegation and supervision, other skills*  
23       *needed under new health care systems;*

24               “(4) *developing cultural competencies among*  
25       *nurses;*

1           “(5) providing emergency health services;

2           “(6) promoting career mobility for nursing per-  
3       sonnel in a variety of training settings and cross  
4       training or specialty training among diverse popu-  
5       lation groups; or

6           “(7) other priority areas as determined by the  
7       Secretary.

8           “(c) *AUTHORIZATION OF APPROPRIATIONS.*—There are  
9       authorized to be appropriated to carry out this section,  
10      \$12,000,000 for fiscal year 1995, and such sums as may  
11      be necessary for each of the fiscal years 1996 and 1997.”;  
12      and

13           (7) by redesignating section 855 as section 810,  
14      and transferring such section so as to appear after  
15      section 809 (as added by the amendment made by  
16      paragraph (6)).

17   **SEC. 4. SAVINGS PROVISION AND TECHNICAL AMEND-**  
18                           **MENTS.**

19           (a) *SAVINGS PROVISION.*—In the case of any authority  
20      for making awards of grants or contracts that is terminated  
21      by the amendment made by section 3, the Secretary of  
22      Health and Human Services may, notwithstanding the ter-  
23      mination of the authority, continue in effect any grant or  
24      contract made under the authority that is in effect on the  
25      day before the date of the enactment of this Act, subject to

1 *the duration of any such grant or contract not exceeding*  
 2 *the period determined by the Secretary in first approving*  
 3 *such financial assistance, or in approving the most recent*  
 4 *request made (before the date of such enactment) for con-*  
 5 *tinuation of such assistance, as the case may be.*

6 *(b) CLINICAL RESEARCHERS.—Paragraph (3) of sec-*  
 7 *tion 487E(a) of the Public Health Service Act (42 U.S.C.*  
 8 *288–5(a)(3)) is amended to read as follows:*

9 *“(3) APPLICABILITY OF CERTAIN PROVISIONS RE-*  
 10 *GARDING OBLIGATED SERVICE.—With respect to the*  
 11 *National Health Service Corps loan repayment pro-*  
 12 *gram established in subpart III of part D of title III,*  
 13 *the provisions of such subpart shall, except as incon-*  
 14 *sistent with this section, apply to the program estab-*  
 15 *lished in subsection (a) in the same manner and to*  
 16 *the same extent as such provisions apply to the Na-*  
 17 *tional Health Service Corps loan repayment pro-*  
 18 *grams.”.*

19 *(c) TECHNICAL AMENDMENTS.—Section 839 of such*  
 20 *Act (42 U.S.C. 297e) is amended—*

21 *(1) in subsection (a)—*

22 *(A) by striking the matter preceding para-*  
 23 *graph (1) and inserting the following:*

24 *“(a) If a school terminates a loan fund established*  
 25 *under an agreement pursuant to section 835(b), or if the*

1 *Secretary for good cause terminates the agreement with the*  
 2 *school, there shall be a capital distribution as follows.”; and*

3 *(B) in paragraph (1), by striking “at the*  
 4 *close of September 30, 1999,” and inserting “on*  
 5 *the date of termination of the fund”; and*

6 *(2) in subsection (b), to read as follows:*

7 *“(b) If a capital distribution is made under subsection*  
 8 *(a), the school involved shall, after such capital distribution,*  
 9 *pay to the Secretary, not less often than quarterly, the same*  
 10 *proportionate share of amounts received by the school in*  
 11 *payment of principal or interest on loans made from the*  
 12 *loan fund established under section 835(b) as determined*  
 13 *by the Secretary under subsection (a).”.*

14 ***SEC. 5. EFFECTIVE DATE.***

15 *This Act shall take effect on October 1, 1994, or the*  
 16 *date of enactment of this Act, whichever is later.*

S 2433 RS—2

S 2433 RS—3

S 2433 RS—4